



**STATE OF TENNESSEE  
DEPARTMENT OF COMMERCE AND INSURANCE  
BOARD FOR LICENSING CONTRACTORS**

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## **Workers' Compensation Exemption Questionnaire - Information**

The attached questionnaire has been added to the new license applications and renewal forms for **Contractors** and **Home Improvement**.

Effective **March 1, 2011**, exemptions have changed and may require those working in the construction industry to obtain workers' compensation insurance on themselves, unless specifically exempt due to the type of project or if they have registered for an exemption with the Secretary of State's office at: <http://tnbear.tn.gov/wc/> as a **"Construction Services Provider"**. For those currently licensed with the Board for Licensing Contractors as a: 1) Contractor; 2) Home Improvement, 3) Limited Licensed Electrician (LLE); or 4) Limited Licensed Plumber (LLP); as long as your expiration date is not expired on the license, you may qualify for a \$100.00 discount to the registration fee. To register as a partnership, you would need to also register with the Secretary of State's corporate section to obtain a "Control #".

As part of the licensing process, the law requires the Board to obtain proof of workers' compensation insurance coverage as a condition of licensing. However, provisions to **Public Chapter 1149** allow certain individuals to be exempt. Therefore, the questionnaire is provided to ensure we do not impose requirements for those exempt. Applicants failing to supply proof of coverage will be notified to complete the attached questionnaire to ensure compliance with the new law.

As always, you must follow the law according to the Department of Labor and Work Force Development: <http://www.tn.gov/labor-wfd/wcomp.html>

### **Summary of New Law**

[http://www.state.tn.us/labor-wfd/wc\\_ConstructionIndustryExemption.pdf](http://www.state.tn.us/labor-wfd/wc_ConstructionIndustryExemption.pdf)

☐ New License   ☐ Renewal

☐ Contractors

☐ Home Improvement

**Workers' Compensation Insurance  
Coverage Determination – Questionnaire**  
(Required for Contractors NOT submitting Proof of Insurance)

The following questionnaire has been developed to assist licensees and our staff to determine whether proof of workers' compensation insurance coverage is needed in order to renew or obtain a license with the Tennessee Board for Licensing Contractors.

Effective March 1, 2011, Public Chapter 1149 requires contractors to supply proof of insurance coverage on themselves, in addition to their employees, unless they are exempt. A provision allows up to three (3) individuals as an **owner, officer, partner or member** to be exempt from coverage on themselves by registering each person on the license with the Tennessee Secretary of State as a "**Construction Services Provider**". Therefore, licensee applicants without employees have the option provide proof of insurance or proof of registration for exemption, unless considered exempt from both (*sole proprietors and partners without employees or subs, working directly for a residential owner, etc.*). As always, check with your insurance agent to make sure you are properly protected on a project. To register online as a "**Construction Services Provider**" for exemption with Tennessee Secretary of State's office, go to: <http://tnbear.tn.gov/wc/> or you may call at (615) 741-2286. Check the Division of Workers' Compensation at: <http://www.tn.gov/labor-wfd/wcomp.html>

### Questionnaire

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**1.** If you check **ONE** of the following, you are **NOT EXEMPT** and must submit **proof of insurance**:

- \_\_\_\_ - One or More Employees  
\_\_\_\_ - Having more than as allowed for an exemption (three (3) owners or officers; or a partner retaining less than 30% ownership)

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**2.** If you check **ALL** of the following, considered **EXEMPT** from submitting **proof of insurance**, and will need to **supply proof of registration** as a "Construction Services Provider" - <http://tnbear.tn.gov/wc/> (Licenses expired cannot register as a licensee with the Board and would not qualify for \$100 discount with Secretary of State)

- \_\_\_\_ - No Employees  
\_\_\_\_ - Less than three (3) owners and/or /officers; if a partnership, each partners owns a minimum of 30% of business entity.  
\_\_\_\_ - All owners/officers/members/partners are registered as a "Construction Services Provider"  
\_\_\_\_ - Does not meet the criteria in section "3" below; see attached registration for each individual on license (limited to three)

(Note: Partnerships will need to register with the Secretary of State's "Corporate" section to obtain a "Control #")

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**3.** If you check **ALL** of the following, you are **EXEMPT** from supplying **proof of insurance and registration** as a "Construction Services Provider" as a condition of licensure:

- \_\_\_\_ - No Employees or Subs  
\_\_\_\_ - Sole Proprietor; or Partnership with less than three (3) members  
\_\_\_\_ - Does not perform commercial work and performs residential; works directly for the owner of project

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**4.** Other: Considered **EXEMPT** from both the insurance and registration as a "Construction Services Provider" due to:

\_\_\_\_ - Other: Exempt due to: \_\_\_\_\_  
(Provide explanation allowed by law)

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**For more information concerning the Workers' Compensation law relative to requirements, exemptions, definitions of commercial projects, the amount of exempt contractors allowed on one project, penalties, etc., please refer to the website of the Department of Labor and Workforce Development at:**  
<http://www.tn.gov/labor-wfd/wcomp.html>

**To register for an exemption, go to:** <http://tnbear.tn.gov/wc/>

The law in its entirety for T.C.A § 50-6-901 may be downloaded from the Laws, Rules and Regulations of the Board's website at:  
<http://tn.gov/commerce/boards/contractors/index.shtml>

**Tennessee Board for Licensing Contractors**  
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